

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



August 16, 2016

Jerry Schmitz
Vice President Engineering
Southwest Gas Corporation
P. O. Box 93510, LVA-581
Las Vegas, NV 89193-8510

GI-2015-10-SWG33-02A-02B-02C

Subject: General Order 112¹ Comprehensive Inspection of the Southwest Gas Corporation, Needles Division's Gas Distribution System Operation and Maintenance Program

Dear Mr. Schmitz:

The staff of Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted a General Order (G.O.) 112¹ Comprehensive Operation and Maintenance Inspection of Southwest Gas Corporation's (SWG) Needles Division's Gas Distribution Operation and Maintenance Program on October 12-16, 2015. During the inspection, SED staff reviewed operation and maintenance records for the period of May 2013 through December 2014 and conducted field inspections of various gas operation and maintenance related activities in the Needles Division. SED staff also reviewed SWG's operator qualification records, which included field observations of randomly selected individuals performing covered tasks.

SED staff did not find any probable violation of G.O. 112¹, Reference Title 49 Code of Federal Regulations (CFR), Part 192. However, SED made two recommendations during this inspection. These are described in the "Summary of Inspection Findings", which is enclosed with this letter.

Please provide a written response within 30 days of receipt of this letter indicating any updates or corrective actions taken by SWG.

If you have any questions, please contact Durga Shrestha at (213) 576-5763.

Sincerely,

A handwritten signature in blue ink that reads "Kenneth A. Bruno".

Kenneth Bruno
Program Manager
Gas Safety and Reliability Branch
Safety and Enforcement Division

CC: Durga Shrestha, SED/GSRB, Dennis Lee, SED/GSRB, Kan Wai Tong, SED/GSRB

¹ General Order 112-F was adopted by the Commission on June 25, 2015 via Decision 15-06-044.

Summary of Inspection Findings
2015 SWG Needles Division Gas Distribution System
October 12-16, 2015

I. Concerns and Recommendations

1. SWG's Operations Manual for Tools and Equipment – Odorometer, Section 2.1.3 states, *“After purging the supply line, slowly open the needle valve by turning it counterclockwise while sniffing the air being discharged from the opening in the top of the instrument”*. During the field inspection, SED staff observed that the SWG's employee performing odorization test opened the needle valve full before he sniffed on the top opening of the instrument instead of gradually increasing the amount of gas and air mixture while sniffing. SED recommends that SWG's employees follow and execute the SWG's procedural manual.